

UNITED STATES OF AMERICA DEPARTMENT OF TRANSPORTATION OFFICE OF THE SECRETARY WASHINGTON, D.C.

Issued by the Department of Transportation on the 20th day of August, 2004

Application of

Served: August 25, 2004

BOBREL LEASING, INC.

Docket OST-03-16284

to conduct commuter air carrier operations under 49 U.S.C. 41738

ORDER ON REVIEW AND DISMISSING APPLICATION

Summary

By this order, we affirm our action in Order 2004-7-9 and dismiss the application for commuter air carrier authority filed by Bobrel Leasing, Inc. d/b/a Colorado Airways ("Bobrel") in Docket OST-03-16284.

Background

On October 6, 2003, Bobrel, based in Akron, Colorado, filed an application in Docket OST-03-16284 requesting authority pursuant to 49 U.S.C. 41738 to provide scheduled passenger service as a commuter air carrier.

On December 11, 2003, we requested additional information from Bobrel, including information on the financial resources that were available to the applicant to support its proposed operations. As more fully discussed in Order 2004-7-9, although Bobrel submitted some of the requested information, in April 2004, the applicant informally advised us that it had been unable to conclude its financing arrangements for its initial service plans, but that it was in the process of formulating a new service proposal involving markets yet to be determined. Bobrel further advised that, once the details of its new service plan and related funding sources had been firmed up, it would file such information with the Department so that we could proceed with our review of its commuter application. No such information was forthcoming. Therefore, by Order 2004-7-9, served July 16, the Department's staff, acting under authority assigned in 14 CFR 385.12, dismissed Bobrel's application for lack of prosecution.

Petition for Review/Amended Application

Under the terms of the Order, petitions for review of the staff's action were due within 10 days of its service, that is, by July 26. Rather than filing a petition for review, on July 26, Bobrel filed updated information in the docket in support of its application for commuter service. Although the

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At the time its application was initially filed, Bobrel was proposing to provide scheduled passenger services between Denver and Lamar, Colorado, and was expecting to receive funds from the City of Lamar to support those operations.

updated information included a new service proposal for its proposed commuter operations,² it did not include evidence that Bobrel had, in fact, obtained the necessary financing to meet our financial fitness criterion.³

After review of the updated information, we orally advised Bobrel that, since it had been unable to provide the financial verification that had caused us to dismiss its application in Order 2004-7-9, its application remained incomplete and we would not be able to process it further.

On August 18, Bobrel withdrew its application for commuter authority on the understanding that it could resubmit an application in the future.

In light of these circumstances, we affirm our action in Order 2004-7-9 and dismiss the application for commuter air carrier authority filed by Bobrel in Docket OST-03-16284. This action is taken without prejudice to the applicant's filing a new application for commuter authority at a future date when it is able to fully prosecute such application.⁴

ACCORDINGLY, Acting under authority assigned by the Department in its regulations, 14 CFR 385.12:

- 1. We affirm our action in Order 2004-7-9 and dismiss, without prejudice, the application for commuter authority filed by Bobrel Leasing, Inc., in Docket OST-03-16284.
- 2. We will serve a copy of this order on the persons listed in Attachment A.

Persons entitled to petition the Department for review of this order under the Department's Regulations, 14 CFR 385.30, may file their petitions within 10 days of the service date of this order.

This order shall be effective immediately and the filing of a petition for review shall not alter its effectiveness.

By:

RANDALL D. BENNETT

Director Office of Aviation Analysis

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Bobrel stated that it was now proposing to operate commuter service between Grand Island, Nebraska, and Kansas City, Missouri.

Bobrel indicated that it was seeking private capital in the amount of \$200,000 to fund its proposed operations, and that it had obtained a verbal commitment from an individual to invest that amount of cash as well as guarantee the loan on the aircraft. Bobrel also indicated that it was working with the Hall County Airport Authority in Grand Island, Nebraska, to obtain additional subsidies for its proposed service. However, no third-party verification of either of these funding proposals was provided.

⁴ Any new application for commuter authority filed by Bobrel should be filed in a new docket.

Order 2004-8-23

ATTACMENT A

SERVICE LIST FOR BOBREL LEASING, INC.

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